



2001 SENATE JOINT RESOLUTION 57

January 29, 2002 - Introduced by Senators JAUCH, HARSDORF, M. MEYER, SCHULTZ, A. LASEE, DARLING, PLACHE, BAUMGART, ROSENZWEIG and BURKE, cosponsored by Representatives RHOADES, PETTIS, PLOUFF, HUEBSCH, BOYLE, SHILLING, JOHNSRUD, KREIBICH, FREESE, JESKEWITZ, SYKORA, GUNDERSON, GRONEMUS, OWENS, TOWNSEND, URBAN, TURNER, HINES, LASSA, VRAKAS, MILLER, RYBA, COGGS and HUBLER. Referred to Committee on Universities, Housing, and Government Operations.

1 **Relating to:** urging the Minnesota legislature to continue the income tax reciprocity
2 agreement between Minnesota and Wisconsin.

3 Whereas, the income tax reciprocity agreement between Wisconsin and
4 Minnesota is designed to simplify the income tax filing process for taxpayers who live
5 in one state and work in the other; and

6 Whereas, Wisconsin currently has income tax reciprocity agreements with
7 Illinois, Michigan, Indiana, and Kentucky, as well as Minnesota; and

8 Whereas, Wisconsin's long-standing income tax reciprocity agreement with
9 Minnesota has been in place for 34 years, having originally been enacted in 1968; and

10 Whereas, the governor of Minnesota has proposed ending the reciprocity
11 agreement with Wisconsin; and

12 Whereas, the reciprocity agreement has been a tremendous convenience for
13 residents in both Wisconsin and Minnesota, allowing those affected taxpayers to file
14 one income tax return instead of one income tax return for each state; and

1 Whereas, ending the reciprocity agreement between Wisconsin and Minnesota
2 would cause Wisconsin to incur significant revenue losses in the first 2 fiscal years
3 following the end of the agreement due to Wisconsin's continued obligation to make
4 payments to Minnesota for prior tax years; and

5 Whereas, elimination of the Minnesota-Wisconsin reciprocity agreement
6 would result in a tremendous inconvenience and an increase in the cost of filing
7 returns for tax filers in both Minnesota and Wisconsin; and

8 Whereas, eliminating the Minnesota-Wisconsin reciprocity agreement will
9 potentially jeopardize other cooperative agreements between Minnesota and
10 Wisconsin, such as the tuition reciprocity agreement; and

11 Whereas, eliminating the reciprocity agreement between Minnesota and
12 Wisconsin will amount to an income tax increase on the 22,000 citizens of Minnesota
13 that work in Wisconsin; and

14 Whereas, ending the reciprocity agreement between Wisconsin and Minnesota
15 would likely result in higher administrative costs to process more complex tax forms;
16 now, therefore, be it

17 ***Resolved by the senate, the assembly concurring, That*** the Wisconsin
18 legislature urges the Minnesota legislature to continue the income tax reciprocity
19 agreement between our 2 states, thereby continuing a valuable and important
20 benefit to the citizens of both states, and to maintain and build upon the cooperative
21 relationships that have been developed between Wisconsin and Minnesota over the
22 past decade; and, be it further

